

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

Municipal Administration & Urban Development Department – MoU Dt.30.03.2007 between AAI and GoAP for the Development of Kadapa Airport - Exempt the entire Aerodrome including staff colony, the land used for the installation of Navigation Aids & other related equipment in respect of Kadapa Airport from the Property Tax & other Municipal Taxes and also the water tax on supply of water to Airport initially for a period of five years commencing from the date of operationalization of Airport to minimize operational losses by the Assignee-Orders – Issued.

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MUNICIPAL ADMINISTRATION AND URBAN DEVELOPMENT (C) DEPARTMENT

G.O.MS.No. 242

Dated:03.12.2014  
Read the following:-

1. MoU between Airport Authority of India and Government of Andhra Pradesh for the Development of Kadapa Airport, Dt.30.03.2007.
2. U.O.Note No.34/Airports(A1)/2007, Infrastructure and Investment (Airports) Department, Dt.03.07.2014.
3. From the Collector & District Magistrate, Kadapa, D.O.Lr. No.H4/967/2014, Dt.02.08.2014.

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**ORDER:**

To up-grade and operationalization of the Kadapa Airport, Memorandum of Understanding was made between Airport Authority of India(AAI) and Government of Andhra Pradesh on 30.03.2007, with a condition that the Assigner shall provide free Electricity & Water and also to exempt the entire Aerodrome, including staff colony and the land used for the installation of Navigation Aids and other related equipment, from Property Tax and other Municipal Taxes initially for a period of five years commencing from the date of operationalization of airport, to minimize operational losses by the Assignee.

2. Whereas, the Regional Executive Director (Southern Region), Airport Authority of India in his Ir.Dt.03.02.2014 addressed to Infrastructure and Investment Department, GoAP has stated that, the works are nearing completion and Airports Authority of India is preparing to plan trail operations by end of February,2014. In view of the planned trail operations, the services to be provided and agreed by the Government of AP viz., provision of free Electricity, Water and exemption from Property / other Municipal Taxes for a period of Five years needs to be implemented. Hence, requested the GoAP, to issue necessary orders to the concerned State Government authorities for implementation and compliance of the decisions agreed in the MoU.

3. Whereas, the Infrastructure and Investment (Airports) Department vide U.O. Note 2<sup>nd</sup> read above has requested the Department to offer the remarks on the proposal of AAI for providing free water and exemption of Property Tax and other Municipal Taxes.

4. Whereas, the Collector & District Magistrate, Kadapa in the letter 3<sup>rd</sup> read above, has reported that, he was consulted the Commissioner, Kadapa Municipal Corporation in the matter and as stated by him, the charges for consumption water to the Kadapa Airport for a period of 5 years worked out to Rs.5,47,500/- and the Government of Andhra Pradesh is competent to exempt the Water tax to the Kadapa Airport, as per the provisions contemplated in GHMC Act,1955 and Municipal Corporation Mannual,1994. Further reported that the Hon'ble Minister for Civil Aviation, GoI and the Hon'ble CM to State of A.P. are likely to inaugurate the Airport at Kadapa very shortly. Therefore, requested the Government to issue appropriate orders to exempt the Water Tax on supply of water to Kadapa Airport to the extent of Rs.1,09,500/- per year and at Rs.5,47,500/- for the period of (5) years as reported by the Municipal Commissioner, Kadapa in accordance with the MoU with the AAI by the GoAP.

5. Government after careful consideration of the matter have decided to consider the request of the Airport Authority of India to provide the services to the Assignee in terms of MoU made between Airport Authority of India and Government of Andhra Pradesh on 30.03.2007.

[P.T.O.]

6. Accordingly, Government, in exercise of the powers conferred under Section 387-A of the A.P. Municipalities Act, 1965, and under Section 697-E of Greater Hyderabad Municipal Corporation Act, 1955 hereby exempt the entire Aerodrome including staff colony, the land used for the installation of Navigation Aids & other related equipment in respect of Kadapa Airport from the Property Tax & other Municipal Taxes and also the Water Tax on supply of water to Airport, initially for a period of five years commencing from the date of operationalization of Airport, to minimize operational losses by the Assignee.

7. The Commissioner & Director of Municipal Administration, Hyderabad shall take necessary action, accordingly.

8. This order issues with the concurrence of Finance (EBS-VII.MA&F) Department vide their U.O.No.3087/073/A1/EBS-VII.MA&F/2014, Dt.26.09.2014.

[BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH]

Dr. D.SAMBASIVA RAO  
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Commissioner & Director of Municipal Administration, GoAP, Hyderabad.

The Collector & District Magistrate, Kadapa.

The Commissioner, Municipal Corporation, Kadapa.

Copy to:

The Infrastructure and Investment (Airports) Department, A.P. Secretariat,  
Hyderabad.

The Regional Executive Director, Airport Authority of India, Regional Head Quarters,  
Operational Offices Complex, Southern Region, Chennai-600 027.

PS.to Prl. Secretary. to CM (GA)

P.S. to M (MA&UD)

P.S.to Chief Secretary to Government.

P.S. to Prl. Secretary (MA&UD).

SC/SF

//Forwarded :: By Order//

SECTION OFFICER